

**Metropolitan Transportation Commission
Programming and Allocations Committee**

December 13, 2006

Item Number 3a

Resolution No. 3770, Revised

Subject: Allocation of \$2.5 million in Regional Measure 2 (RM2) program funds to the San Francisco MUNI for FY 2006-07 start-up costs and operating assistance for the Third Street Light Rail Line - Phase 1.

Background: *Operating Project #11: Third Street Light Rail Line (Phase 1 – Initial Operating Segment).*
MUNI operates light rail service within San Francisco. RM2 provides funding to MUNI partially offset operating expenses for the new service along Third St.

MUNI is requesting \$1.7 million for start-up costs for this project; these costs cover testing, training, marketing, and updating signage and passenger information materials.

MUNI is also requesting \$786,000 in operations funding; this service is anticipated to start in January 2007.

Start-up costs and operating assistance together total \$2.5 million, which is the full annual RM2 amount available to this project. The RM2 statute does not allow inflation adjustments for this project.

TABLE 1: SUMMARY OF PROPOSED DECEMBER ALLOCATIONS

RM2 No.	Project Title	Sponsor/ Implem. Agency	Proposed Allocation	Phase	MTC Res. No.
Operating Program – New Allocations					
11	Third Street Light Rail – Phase 1	MUNI	\$2,500,000	Start-up and Operating	3770, Revised
Program Total			\$2,500,000		

Issues: None.

Recommendation: Refer Resolution No. 3770, Revised, to the Commission for approval.

Attachments: MTC Resolution No. 3770, Revised

Date: July 26, 2006
W.I.: 1255
Referred by: PAC
Revised: 09/27/06-C 10/25/06-C
11/15/06-DA 12/20/06-C
12/20/06-DA

ABSTRACT

Resolution No. 3770, Revised

This resolution approves the allocation of the Regional Measure 2 operating and planning funds for FY 2006-07.

This resolution was revised on September 27, 2006 to allocate operating funds to AC Transit for TransBay bus services and rapid bus service in the Berkeley/Oakland/San Leandro corridor, and to MTC for the RM2 Marketing Program.

This resolution was revised on October 25, 2006 to allocate operating funds to AC Transit for Owl service.

This resolution was revised on November 15, 2006 to allocate operating funds to WestCAT, County Connection and Tri Delta Transit for Express Bus operating funds.

This resolution was revised on December 20, 2006 to allocate start-up and operating funds to Muni for Third Street Light Rail – Phase 1 (through Commission approval).

This resolution was revised on December 20, 2006 by delegated authority to allocate start-up and operating funds to WestCAT for Express Bus Operating funds (through delegated authority).

Additional discussion of these allocations is contained in the Executive Director's memoranda to the MTC Programming and Allocations Committee and/or the Summary Sheets dated July 12, 2006, September 13, 2006, October 4, 2006, and December 13, 2006.

Date: July 26, 2006
W.I.: 1255
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Revised: 09/27/06-C
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Attachment A
MTC Resolution No. 3770
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FY 2006-07 ALLOCATION OF REGIONAL MEASURE 2 FUNDS
FOR TRANSIT OPERATIONS AND PLANNING

<u>Implementing Agency</u>	<u>Project Description</u>	<u>Allocation Amount</u>	<u>Allocation Code</u>	<u>Approval Date</u>
Water Transit Authority	Planning and administration	\$3,000,000	01	07/26/06
AC Transit	Transbay service	\$6,150,559	02	09/27/06
AC Transit	Berkeley/Oakland/San Leandro Corridor rapid bus operations	\$3,000,000	03	09/27/06
MTC	RM2 Marketing Program	\$2,500,000	04	09/27/06
AC Transit	Owl Bus Service	\$1,122,117	05	10/25/06
WestCAT	Express Bus (Ops): Routes JPX and 30Z	\$245,610	06	11/15/06
Tri Delta Transit	Express Bus (Ops): Route 300 Brentwood Park n Ride/Pittsburg/Bay Point BART	\$523,975	07	11/15/06
County Connection	Express Bus (Ops): Route 980 Martinez/Walnut Creek	\$407,970	08	11/15/06
MUNI	Third Street Light Rail - Phase 1	\$2,500,000	09	12/20/06
MUNI	BART Corridor Owl Service - Route 14 Mission	\$184,730	10	12/20/06
WestCAT	Hercules to Transbay Terminal LYNX Operations	\$222,950	11	12/20/06
	TOTAL	\$19,634,961		

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Attachment B
MTC Resolution No. 3770
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**REGIONAL MEASURE 2
Project Specific Conditions
Operating and Planning Projects
California Streets and Highway Code 30914(d)**

The allocation and reimbursement of RM2 funds are conditioned upon the following for the projects identified below:

Project: RM2 Marketing Program

Lead Sponsor: MTC

Project Title: RM2 Marketing Program

- 1) MTC will enter into funding agreements with sponsors to implement the program.

Project # 14

Lead Sponsor: Water Transit Authority (WTA)

Project Title: Planning and administration

- 1) These funds are limited to planning/administrative expenses consistent with the FY 2006-07 WTA Work Plan submitted to MTC and embodied in the Operating Assistance Proposal.
- 2) This project is not subject to the RM2 operating performance standards.

Project # 4.1

Lead Sponsor: AC Transit

Project Title: Transbay Service

- 1) In accordance with MTC's Policies and Procedures, these routes are subject to the following farebox recovery ratios:
 - Rte LA: 20% starting in FY 2006-07.
 - Rtes J, ME, U, and Bay Br. augmentation rtes.: 30% starting in FY 2007-08.
 - Rtes M and NL: 20% starting in FY 2007-08.

Project # 12

Lead Sponsor: AC Transit

Project Title: Enhanced Bus Service in the Berkeley/Oakland/San Leandro Corridor.

- 1) Because this route functions in part as a feeder to Transbay services, it is not subject to a route-specific farebox recovery target. This project meets the eligibility requirement as long as AC Transit achieves its system wide performance established under state law for receiving TDA, STA, and AB 1107 funds.

Project # 10

Lead Sponsors: AC Transit, CCCTA, S.F. MUNI, LAVTA, and SamTrans

Project Title: Owl bus service.

- 1) In accordance with MTC's Policies and Procedures, the Owl service for each operator is subject to a 10% farebox ratio.

Project # 11

Lead Sponsor: SF MUNI

Project Title: Metro 3rd St. Extension.

- 1) Because this route functions in part as a feeder to Transbay services, it is not subject to a route-specific farebox recovery target. This project meets the eligibility requirement as long as MUNI achieves its system wide performance established under state law for receiving TDA, STA, and AB 1107 funds.

Project # 4.2

Lead Sponsor: WestCAT

Project Title: LYNX Service between Hercules to the Transbay Terminal

- 1) In accordance with MTC's Policies and Procedures, this route is subject to the following farebox recovery ratio of 30% for FY 2006-07.

Regional Measure 2 Operating Assistance Proposal Fact Sheet

Legislative Project #: 11

Project Description: Municipal Transportation Agency (MUNI) Third Street Light Rail - Phase 1

Operating Plan - Request for RM2 Funds

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 10/11	FY 11/12
Operating Budget							
Total Start-Up Costs	\$1,104,249	\$3,431,335	\$0	\$0	\$0	\$0	\$0
Total Operating Cost	\$0	\$3,438,660	\$13,896,587	\$14,341,278	\$14,800,199	\$15,273,805	\$15,762,567
Total Cost	\$1,104,249	\$6,869,995	\$13,896,587	\$14,341,278	\$14,800,199	\$15,273,805	\$15,762,567
-- <i>RM 2 Operating Assistance: Start-up</i>	\$785,999	\$1,714,001	\$0	\$0	\$0	\$0	\$0
-- <i>RM 2 Operating Assistance</i>	\$0	\$786,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
-- <i>Fare Revenue</i>	\$0	\$1,097,315	\$4,389,261	\$4,389,261	\$4,389,261	\$4,389,261	\$4,389,261
-- <i>Other Subsidy</i>	\$318,250	\$3,272,679	\$7,007,326	\$7,452,016	\$7,910,937	\$8,384,544	\$8,873,305
Total Revenues	\$1,104,249	\$6,869,995	\$13,896,587	\$14,341,277	\$14,800,198	\$15,273,805	\$15,762,566
Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Service Parameters

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 10/11	FY 11/12
Estimated Annual Ridership	n/a	1,995,119	7,980,475	7,980,475	7,980,475	7,980,475	7,980,475
Average Weekday Ridership	n/a	25,175	25,175	25,175	25,175	25,175	25,175
Annual Revenue Vehicle Hours	n/a	21,200	84,800	84,800	84,800	84,800	84,800
Annual Revenue Vehicle Miles	n/a	208,000	832,000	832,000	832,000	832,000	832,000

Performance Measures

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 09/108	FY 11/12
Required Measures Per MTC Resolution 3668							
Farebox Recovery Ratio	n/a	32%	32%	31%	30%	29%	28%
Passengers/Revenue Vehicle Hour	n/a	94	94	94	94	94	94
Change in Passenger Per Revenue Vehicle Hour		--	0%	0%	0%	0%	0%

Environmental Clearance

The Municipal Transportation Agency completed an EIR/EIS on March 16, 1990 for this project.

Regional Measure 2 Operating Assistance Proposal Fact Sheet

Legislative Project #: 10.1

Project Description: Municipal Transportation Agency (MUNI) Owl Bus Service on BART Corridor

Operating Plan - Request for RM2 Funds

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 10/11	FY 11/12
Operating Budget							
Total Operating Cost	748,741	772,700	797,427	822,944	849,279	876,455	904,502
-- Fare Revenue	123,086	123,086	123,086	123,086	123,086	123,086	123,086
-- RM 2 Operating Assistance Request	117,000	184,730	187,501	190,313	193,168	196,066	199,007
-- Other Subsidy	508,654	464,884	486,839	509,544	533,024	557,303	582,409
Total Revenues	748,740	772,700	797,426	822,944	849,279	876,455	904,502
Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Service Parameters

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 10/11	FY 11/12
Estimated Annual Ridership	223,794	223,794	223,794	223,794	223,794	223,794	223,794
Average Weekday Ridership	594	594	594	594	594	594	594
Annual Revenue Vehicle Hours	5,749	5,749	5,749	5,749	5,749	5,749	5,749
Annual Revenue Vehicle Miles	76,270	76,270	76,270	76,270	76,270	76,270	76,270

Performance Measures

	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/108	FY 09/108	FY 11/12
Required Measures Per MTC Resolution 3668							
Farebox Recovery Ratio	16%	16%	15%	15%	14%	14%	14%
Passengers/Revenue Vehicle Hour	39	39	39	39	39	39	39
Change in Passenger Per Revenue Vehicle Hour	--	0%	0%	0%	0%	0%	0%

Environmental Clearance

The Municipal Transportation Agency completed an EIR/EIS.

Regional Measure 2 Operating Assistance Proposal Fact Sheet

Legislative Project #: 4.1

Project Description: WestCAT LYNX Service between Hercules to the Transbay Terminal

Operating Plan - Request for RM2 Funds

	FY 05-06	FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Operating Budget							
Total Operating Cost	257,712	364,032	382,234	401,345	420,209	439,966	461,965
-- Fare Revenue	85,176	141,102	155,960	171,677	187,096	203,356	221,806
-- RM 2 Operating Assistance Request	172,536	222,930	226,274	229,668	233,113	236,610	240,159
-- Other Subsidy							
Total Revenues	257,712	364,032	382,234	401,345	420,209	439,966	461,965
Surplus/(Deficit)	0	0	0	0	0	0	0

Service Parameters

	FY 05-06	FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Estimated Annual Ridership	42,834	100,000	100,000	100,000	100,000	100,000	100,000
Average Weekday Ridership	252	400	400	400	400	400	400
Annual Revenue Vehicle Hours	4,602	5,688	5,688	5,688	5,688	5,688	5,688
Annual Revenue Vehicle Miles	144,207	173,048	173,048	173,048	173,048	173,048	173,048

Performance Measures

	FY 05-06	FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Required Measures Per MTC Resolution 3668							
Farebox Recovery Ratio	33%	39%	41%	43%	45%	46%	48%
Passengers/Revenue Vehicle Hour	9	18	18	18	18	18	18
Change in Passenger Per Revenue Vehicle Hour	n/a	89%	0%	0%	0%	0%	0%

Environmental Clearance

WestCat has adopted a negative declaration for this project.